'Tobacco' only represents the actual rentals for the coming year.

DISBURSEMENTS.

The expenditure which is contemplated for 1102 amounts to Rs. 68 91,000 or Rs. 1,98,400 in excess of the revised estimate of the current year. The transactions of the year are thus expected to result in a surplus of Rs. 1,45,700. At the very outset, I may inform the House that the Government have made all possible cuts without the sacrifice of efficiency. They have subjected the proposals of Heads of Departmsnts to a very close scrutiny and have provided what, in their opinion, are only the barest requirements. At the same time they have not been callous to the needs of the departments ministering to the moral and material welfare of the people like 'Education', 'Medical', 'Agriculture', etc.

I shall now proceed briefly to describe the proposals for the expenditure in 1102 and the more important variations in the budget as compared with the present year. These are all set out, of course, in the financial statement, and I will leave the members of the Council to make themselves acquainted with the items of lesser importance from that statement; since it is hardly possible for me to dwell on all these in detail.

Land Revenue.—Only the usual provisions are made in the Land Revenue Department, and the only items that call for special remarks are the provisions of Rs. 6,00 under 'Petrol and accessories to the fishery motor boat' for purchasing a new motor boat in place of the old one that has become quite unserviceable and of Rs. 1,500 towards the expenses for the opening of a Survey School for the training of Village Officers, etc. The hands turned out by the last Survey School have all been either absorbed or engaged by private bodies, and insistent demands are being received for more trained hands. The Government are also in need of hands trained in survey to take the place of those who are being retired on superannuation. It is further proposed to take advantage of this opportunity to get trained two graduate clerks in the department for the Revenue Inspector's posts.

Agriculture and Panchayats.—The expenditure under 'Agriculture and Panchayats' is expected to be Rs. 31,400 more than that of the current year, mainly on account of the increased contribution to the Panchayats. When the Village Panchayats were first organised in the State towards the close of 1089, the intention of the Government was to introduce them only in certain select villages and the Government undertook the duty of financing these bodies. The revenue on account of *Tirumul-*

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kazhcha, the declared object of levying which, was to utilise it on rural improvements and sanitation, it was considered, would be more than sufficient for the purpose. In 1096 a new policy was initiated with regard to Panchayats under which an amendment to the Panchayat Regulation calculated to increase greatly the powers of these bodies was resolved upon, and with this it was also proposed to make provision for the levy of a local cess by the Panchayats. The opposition against the cess resulted in its being dropped, while the provision relating to the grant of additional powers was retained. Shortly after this we find that the Panchayat system was extended throughout ths State. As a consequence, the burden of financing these bodies began to fall heavily on the Government as is evident from the following figures.

Year.	Budget grant. Rs.	Actual expenditure. Rs.	
1095	32,000	30,997	
1096	38,200	37,835	
1097	52,700	92,158	
1098	93,287	72,586	
1099	98,966	83,853	
1100	1,17,187	1,08,415	
1101	1,11,072	1,11,073	(Revised estimate).

Thus within a short time of nearly six years the expenditure on account of Panchayats has increased nearly four-fold, while the income from *Tirumulkazcha*has remained almost stationary at about Rs. 54,000. For 1102, a liberal provision of Rs. 1,42,940 is made, which is nearly Rs. 31,900 more than the revised estimate including Rs. 10,000 transferred from the Sanitation budget for 'Water supply'. Government are fully aware that the Panchayat administration is a matter which touches the welfare of the people in general, and that it constitutes a training ground for them to share the larger responsibilities of this House, and considerations such as these have led the Government to deal generously with these institutions. While nobody would deny that the development of the Panchayats is thus of paramount importance for the well-being and prosperity of the people, I feel confident that the House will agree with me, that any headlong course has to be checked with due regard to the finances of the State, and that the time has now come to take stock of the situation and find out fresh means of satisfying the needs of the Panchayat administration by levy of a local cess, if need be. It is a grave question, and I need hardly assure the House that no final decision will be arrived at without consulting non-official opinion.

Excise.—The budget estimate is fixed at Rs. 3,25,000 or Rs. 12,800 more than the revised estimate, and the increase is

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